

HOW TO PREPARE THE OFFER IN COMPROMISE FINANCIAL STATEMENT

Your request for an Offer In Compromise can not be processed if the form is incomplete or unsigned. This form must be signed and dated by the applicant. Complete all blocks, except shaded areas. The financial statement must include complete information for you and your spouse. All of your spouse's assets and income are applicable. If you are self-employed or currently involved in an active business as a partner or corporate officer you must enclose a current financial statement and a current profit and loss statement. **You must submit copies of your personal federal tax returns for the last two years.** If you and your spouse filed separate returns, both returns must be submitted. Full financial disclosure is required and supporting documents must be attached to your financial statement. Upon receipt of your Offer, additional information may be requested.

CURRENT ASSETS

Bank Account -- Enter all accounts even if there is currently no balance. DO NOT enter bank loans. You MUST enclose copies of bank statement for all accounts for the last 6 months (if you have seasonal sporadic employment you must enclose copies of bank statements for all accounts for the last 12 months.)

Accounts/Notes Receivable -- Enter requested information. Also attach a separate list describing when the receivable is due and how frequent (i.e., regular customer or one-time customer.)

Available Credit Sources -- List only credit lines or cards by a bank, credit union, or savings and loan that have cash advance features. Attach all revolving credit card statements.

PERSONAL ASSETS

Enter all vehicles, boats, RVs, motorcycles, campers, etc. Attach a list detailing where the assets are located, the registered owners and lien holders, and expected payoff dates.

REAL PROPERTY ASSETS

List all real estate that you own or are purchasing, both as an individual or with others. Attach a list of all owners' names and type of ownership (joint tenants, tenants in common) describe type of buildings on the property, mortgage payments, rental income amounts, and what property is used for (residence, office/shop, rental). Submit lien information on all properties and current mortgage statement(s).

MONTHLY INCOME AND EXPENSES

Total household income and expenses are to be listed for both you and your spouse, even if only one spouse has a tax liability.

Income -- Enter gross amount of wages/salary (attach pay stubs for the last 6 months). If you are self-employed, enter NET business income (what you earn after you have paid your ordinary, necessary monthly business expenses) and attach a current profit/loss statement and balance sheet. List net rental income and identify sources of other income.

Necessary Living Expenses -- Expenses will be computed from the Title 22 Family Income level Table. Enter mandatory payroll deductions (regular withholding for State and Federal taxes and social security). Do not include insurance payments, loan payments or wage garnishments, etc. Attach an itemized list for medical, insurance, vehicle, and other expenses. Submit documentation that court ordered payments and child/spousal support payments have been paid for the last 6 months and are currently being paid. Submit documentation of all wage garnishments, payment plans, estimated tax payments, and settlement offers with IRS, other tax agencies and general creditors. Submit lien information on these liabilities. This information may be obtained from a credit report or through the County Recorder's Office in which the property is located.

EMPLOYMENT INFORMATION

Include the business name and address.

OTHER INFORMATION

Mark appropriate box. For all "yes" answers, enter full explanation in space provided.

HEALTH/MEDICAL CONSIDERATIONS

Describe in space provided any health, disability, or medical considerations that do or will effect current or future financial status or earning potential for either you or your spouse. Submit supporting documentation.